

**Technology Customer Council Meeting
Minutes of February 14, 2006**

Final

Present: Greg Wright, Steve Mosena, Leon Schwartz, Rich Jacobs, Jan Evans, Carl Martin, Erv Fett, Marv Van Haaften, Larry Murphy, Margaret Thomson

Absent: Keith Greiner, Roberta Polzin, Joel Lunde

Guests: Erwin Erickson, Greg Fay, Lorrie Tritch, Julie Sterk, Pat Deluhery, Mollie Anderson, Laura Riordan, Diane Van Zante (recorder)

1. **Call to Order** – Greg Wright, Chair, called the meeting to order. It was noted that a quorum of members was present.
2. **Review and Approve Minutes of January 10, 2006** – Greg Wright.
Larry Murphy moved approval of the January minutes; Carl Martin seconded the motion. An oral vote was taken, approving the minutes as written.

3. **Recommendations for Service Categories** – Lorrie Tritch.

By code, each year Mollie and the Governor are required to determine which services should be utilities. The Department of Administrative Services (DAS) is required to revisit its utility service offerings and ask the customer council for input/ideas/opinions before Mollie submits her recommendations to the Governor. There are three categories of service: Leadership, Utility, and Marketplace. Council members may recommend a change from one category to another. Comments should be submitted within the next 30 days. Will DAS send a notification to the agencies? Lorrie's understanding is that DAS will not be contacting individual agencies to solicit feedback. Should the large, medium, and small council representatives be working with/surveying their partner agencies on this matter? Agency notification could be achieved via the February CIO Council meeting. Larry Murphy agreed to introduce the topic at the February 23 meeting.

Should there be a cost differential for the common directory models (different fee for model 4 versus models 1, 2 and 3), primarily because labor costs are greater for model 4 than the others? At one time, DAS determined that Public Key Infrastructure (PKI) should be a utility, however it was later determined to be cost prohibitive, but is still listed in the rate schedule as a utility. Lorrie mentioned that it might be worth another look. Is this the appropriate time to recommend to Mollie that we drop PKI as a utility? There is a study bill (House Study Bill 624) in the legislature that places the authority for determining utilities with the Customer Council rather than the DAS Director.

4. **Information Security Office Utility Discussion** – Greg Fay.

In August of 2003, there was a significant security event that resulted in the formation of the Governor's Cyber Security Taskforce. The Taskforce's primary recommendation was the creation of an enterprise Information Security Office (ISO) and ultimately the creation of a

Chief Information Security Officer (CISO). The first year the Office was funded through Homeland Security, however since 2005, the Office has been funded by the Information Technology Enterprise (ITE). The Governor's Taskforce recommended that the ISO be a leadership function. During the last legislative session, DAS requested funding but didn't receive any. This session, the Governor's budget recommends a FY07 appropriation (\$248,426) for a distribution account and then in FY08, recommends that the ISO become a utility service. If that does occur, by July 1 of this year we will need to understand how the costs are distributed. Most agencies have some responsibility for their own technology, including IT security. Each agency is responsible for the amount of risk it is willing to take, yet the actions or inactions of one group often impact another. It makes sense to have central coordination of service, a focal point for development of standards, policies, and assessment activities, as well as a conduit for research and information sharing. As a utility, the value for one group is essentially the value for all. With most utility services, you receive a direct benefit. In this case, the services may not be readily apparent.

Q. Under this proposal, would the ISO still reside within DAS?

A. Yes. The Taskforce discussed this issue at length and ended up recommending that it reside within DAS.

The budget offer that was submitted is for two positions. We are asking for funding to support the CISO, one new information security officer and minimal support for those two positions. There are also currently two positions within ITE that are focused on security. Those two individuals now report to Greg and are paid for by indirect costs. The ISO would be comprised of the two individuals from ITE, one new FTE, plus Greg, but the utility would only cover Greg and the new person.

Q. Was there any feedback suggesting some flexibility in making this a utility service?

A. The legislature views this as a new function and tends to be less receptive to new functions, so the Governor recommended that the ISO become a utility. As such, it is not up to the Council to debate whether or not it should be classified as a utility.

Q. What if the legislature does not fund it for FY07?

A. DAS hasn't determined that yet.

It is important to consider what happens if the legislature doesn't fund the ISO for FY07. The Governor prefers not to include it in the appropriation for leadership functions. DAS is asking for an appropriation, but it is a one-time appropriation.

Q. For agencies that already have security in place, will there be any adjustment to the rate?

A. The ISO would not replace security measures that agencies currently manage themselves, only those services that cross agencies.

Q. How do you distribute those costs in a consistent way?

The Department of Human Services, which utilizes federal funds, may encounter problems explaining what benefit is derived.

Director Anderson summarized the issues. While the Technology Customer Council would like the ISO to be a leadership function, others feel it is simply the cost of doing business. The legislature wants to get out of the business of funding administrative issues. If the legislature doesn't want to fund the ISO, the Council will have to answer the question, "do we want the service or not?" The Governor believes there is a potential threat to the State which could impede service. The question before the Council is really whether an Information Security Office is needed or not. If as a customer you believe it is needed, are you willing to fund it? Does it add value? What do you get for it? The legislature chose not to fund agency budgets with utility costs. There are also some federal mandates that this cannot replace. The Council needs to act on behalf of the agencies as a whole. Consider these questions: "Is this the cost of doing business, is it something you need, is the price reasonable?"

Q. If the \$248,426 isn't appropriated, do we still need to come up with the funding?

A. If there is no appropriation, we are back to deciding whether it is a valued/priority service. It is hoped that the legislature will fund the FY07 appropriation which calls for the money to be placed in a distribution account to cover the cost of service through June 30, 2007.

There was a suggestion that the ISO be funded through indirect costs; everyone would share in the cost. If you fund the ISO through indirect costs, only those entities that are customers of ITE will bear the cost. Building it into the indirect costs is unfair to those agencies that do use ITE services. It also affects the price of marketplace services.

Q. What is the proposed price?

A. A formula has not yet been determined, however it appears that the cost would be less than \$1 per person, per month.

Q. Are there consequences of not having four individuals dedicated to the ISO?

A. The Taskforce recommended a minimum of four. The Customer Council Chair expressed interest in having someone quantify the risk of not having four individuals.

Q. What action is being sought today?

A. None, the purpose was strictly to introduce the topic, raise questions, and provide feedback.

If you view this from an FTE perspective, there are many individuals who never use a computer, raising the question, "why should I pay for this service?" There are several different ways to calculate the rate. Steve Mosena, Jan Evans and Larry Murphy agreed to serve on a subcommittee to formulate 3-5 rate methodologies. They will report back at the March meeting.

5. **Utility Business Plan** – Lorrie Tritch.

There are three changes to the document that was previously distributed. Pages 6 and 7 made reference to an e-mail offering; those were changed to read "common directory." Page 16

now compares the FY06 and FY07 budgets for common directory. The new page 16 appears to contain some incorrect terms. Lorrie will check and follow up.

Components of the Utility Services Business Plan explore improvement strategies and define the complaint resolution process. To date, we are not aware of any formal complaints of service.

In addition to the Technology Customer Council, the Technology Governance Board may offer recommendations on utility services, however the Governor is the only person who has the authority to create a utility.

Q. Are there any entities that receive utility services at no cost?

A. No. Agencies are all being billed at 100%.

The Customer Council decided to defer action on the Utility Services Business Plan until the next meeting.

6. **Other**

None.

7. **Wrap-Up, Next Meeting Date** – Greg Wright.

The next meeting is March 14 at 1:00 p.m.

There being no further business, council members voted to adjourn the meeting. The meeting concluded at 2:24 p.m.